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VIA ELECTRONIC MAIL

January 28, 2002

Andrew Stephens
Director of Steel Trade Policy
Office of the U.S. Trade Representative
600 17th Street, N.W.
Washington, DC 20508

RE: *Section 203 Action: Certain Steel* Amended Specification for Japanese Respondents' Exclusion Request for SCM 415 Hot-Rolled Steel (X-144)

Mr. Stephens:

On behalf of Nippon Steel Corporation, NKK Corporation, Kawasaki Steel Corporation, Sumitomo Metal Industries, Ltd., Kobe Steel, Ltd., Nisshin Steel Co., Ltd, and the Japan Iron & Steel Exporters' Association ("Japanese Respondents"), we hereby submit amended definitions for our exclusion request concerning SCM 415 hot-rolled steel (X-144).

Attached are the original and revised definitions of SCM 415 hot-rolled steel (X-144). This exclusion request was originally submitted to the Office of the U.S. Trade Representative on November 13, 2001. Previously, on September 10, 2001, we submitted this request to the International Trade Commission in a Prehearing Injury Brief for Specialized Cold-Rolled Products. We submitted the request again on October 29, 2001, in our Prehearing Remedy Brief on Carbon and Alloy Flat Product Exclusions. It was not until January 18, 2002, that we received specific information about the basis of the domestic industry's objection to exclusion of this product. At least two U.S. mills claim that SCM 415 as originally defined is within their capabilities. Therefore, we are revising the product definition to be more strictly defined so as to adequately distinguish it from any product the domestic industry claims it can produce.

If you have any questions about this submission, please contact one of the undersigned.

Respectfully submitted,

Matthew R. Nicely
Julia K. Eppard
Carrie L. Owens

AMENDED PRODUCT SPECIFICATIONS FOR SCM 415 HOT-ROLLED STEEL

The specification that was previously submitted for SCM 415 hot-rolled steel was:

> Chemical Composition: C: 0.13 - 0.18%; Si: 0.15 - 0.35%; Mn: 0.60 - 0.85%; P: Equal to or less than 0.03%, S: Equal to or less than 0.03%; Cr: 0.90 - 1.20%; Mo: 0.15 - 0.30%

Please replace this specification with the following definitions:

Hot-rolled steel falling within any of the following definitions:

1. Chemical Composition: C 0.13 - 0.18%; Si 0.15 - 0.35%; Mn 0.60 - 0.85%; P: Equal to or less than 0.03%, S: Equal to or less than 0.03%; Cr 0.90 - 1.20%; Mo 0.15 - 0.30%
   Hardness: HRB $\leq$ 85 (72 - 82 HRB aiming)
   Thickness: 2.5 – 6.0 mm
   Width: 33" – 43"
   Edge: Mill edge

2. Chemical Composition: C 0.13 - 0.18%; Si 0.15 - 0.35%; Mn 0.60 - 0.85%; P: Equal to or less than 0.03%, S: Equal to or less than 0.03%; Cr 0.90 - 1.20%; Mo 0.15 - 0.30%
   Hardness: 75 - 90 HRB (80 - 88 HRB aiming)
   Tensile Strength: 520-630 N/mm^2
   Yield Strength: $\geq$ 350 N/mm^2
   Elongation: $\geq$ 22%
   Edge: Mill edge
   Thickness: 5.5 - 7.5 mm
   Width: 30" – 39"

3. Chemical Composition: C: 0.13 - 0.18%; Si: 0.15 - 0.35%; Mn: 0.60 - 0.85%; P: Equal to or less than 0.03%, S: Equal to or less than 0.03%; Cr: 0.90 - 1.20%; Mo: 0.15 - 0.30%
   Hardness: HRB $\leq$ 87
   Tensile Strength $\geq$ 500 N/mm^2
   Elongation $\geq$ 30%
   Yield Ratio $\leq$ 80%
   Thickness: 2.6 - 4.0 mm
   Width: 42" – 52"
   Edge: Square cut edge free of burrs, rice marks, protrusions or damage